

SCHEDULE TCS

TAX CREDIT SUMMARY SCHEDULE

For taxable year ended

41A720TCS
(10-06)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

➤ Attach this schedule to Form 720,
Form 720S, Form 725 or Form 765.

____/____
Mo. Yr.

➤ See instructions on reverse.

Name of Corporation	Federal Identification Number	Kentucky Corporation Account Number
	____-____	____-____

PART I—Economic Development Tax Credit Summary (Only for Projects Approved by the Kentucky Economic Development Finance Authority)

A	B	C	D	E
Type of Project (KREDA, KIDA, KJDA, KIRA, KRA, KEOZ, STICA)	Location of Project	Project Number	Allowable Credit from Each Schedule	Credit Claimed

DRAFT
9-12-06

PART II—Other Tax Credits

Historic preservation restoration tax credit	
Unemployment tax credit	
Recycling/composting equipment tax credit	
Coal conversion tax credit	
Enterprise zone	
Kentucky investment fund tax credit	
Coal incentive tax credit	
Qualified research facility tax credit	
GED incentive tax credit	
Voluntary environmental remediation tax credit (Brownfield)	
Biodiesel tax credit	
Environmental stewardship tax credit	
Clean coal incentive tax credit	

PART III—Total Tax Credits

Total tax credits claimed (add amounts in Column E). <i>This amount cannot reduce the tax liability on Form 720, Form 720S, Form 725, Form 765, Part III, line 3 below the \$175 minimum.</i> Enter the amount from this line on Part III, line 4 on Form 720, Form 720S, Form 725, Schedule CP (Form 725) or Form 765	➤
--	---

If there are economic development credits, the Kentucky Corporation Income Tax Return (Form 720, Form 720S, Form 725 or Form 765), including this schedule, *must be mailed* to Economic Development Tax Credits, Corporation Income and License Tax Branch, Kentucky Department of Revenue, P.O. Box 181, Frankfort, Kentucky 40602-0181.

INSTRUCTIONS—SCHEDULE TCS

PURPOSE OF SCHEDULE

This schedule is used as a summary of all tax credits being claimed for a specific tax period by corporations.

GENERAL INSTRUCTIONS

If a taxpayer is entitled to more than one of the tax credits allowed against the tax imposed by KRS 141.040, the priority of application and use of credits shall be determined in the order that the credits are listed on Schedule TCS (KRS 141.0205). Total credits taken on this schedule may not reduce the tax liability on Form 720, Form 720S, Form 725 or Form 765, Part III, line 3 below the \$175 required minimum tax.

Part I—Economic Development Tax Credit Summary

This part is only completed by taxpayers having projects approved by the Kentucky Economic Development Finance Authority except for the Kentucky Investment Fund (KIFA) tax credit and the Environmental Stewardship tax credit.

Due to legislation passed by the 2005 General Assembly, S corporations, limited liability partnerships (LLPs) or similar entities created with limited liability for the partners are now taxed as corporations. The economic credits are taken at the entity level and are not passed through to the shareholders/partners.

The corporation must first complete the applicable tax credit computation schedule (Schedule KREDA, Schedule KIDA, Schedule KJDA, Schedule KIRA, Schedule KRA, or Schedule KEOZ) for each project. Approved companies claiming tax credits for Skills Training Investment (STICA) must attach a copy of the final resolution received from the Bluegrass State Skills Corporation.

Complete a separate line for each project. Enter the appropriate information in Column A, B and C, and enter in D the credit limitation from the applicable tax credit computation schedule for each project. Enter in Column E the amount of credit claimed for each project.

There is no requirement to utilize credits from economic development projects in any particular order.

Part II—Other Tax Credits

For all other tax credits, enter amount claimed on applicable line. Attach supporting schedules or approved applications to tax return.

Part III—Total Tax Credits

Totals from Part I, Column E and from Part II cannot reduce the tax liability below the required minimum \$175. If necessary, reduce credit amount beginning with the last credits listed. Enter the total credit amount claimed on the applicable line on the Form 720, Form 720S, Form 725 or Form 765.

DRAFT
9-12-06